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## **BY EMAIL**

Dear Sir/Madam

### **Collective bargaining notifications CB00328-CB00402 and CB00404-CB00431 – CAUDIT**

I refer to the above collective bargaining notifications lodged with the Australian Competition and Consumer Commission (the ACCC) on 29 August 2016.

The ACCC has finalised its assessment of these notifications. The ACCC has decided to allow CAUDIT to collectively negotiate with 103 producers, sellers and distributors on behalf of itself and its members (primarily Australian universities) regarding the provision of computing information technology products and services.

The proposed collective bargaining arrangements are voluntary and do not include any collective boycott activity.

The ACCC is of the view that the collective bargaining arrangements will result in public benefits that will outweigh the likely detriment to the public, discussed below.

#### **ACCC consideration**

The ACCC has assessed the collective bargaining arrangements proposed by CAUDIT and considers that the arrangements are likely to result in public benefits in the form of transaction cost savings, and greater input by CAUDIT's members into contracts, which is likely to result in more efficient contracts.

The ACCC considers that the potential for the arrangements to result in public detriments is limited. In particular, participation in the collective bargaining process is voluntary for all parties. In addition, in many instances CAUDIT's members have limited bargaining power and/or CAUDIT's members represent a relative small proportion of the vendor's sales.

On the basis of the information available, the ACCC considers that the likely benefits to the public from the collective bargaining arrangements will outweigh the likely anti-competitive detriments to the public. Accordingly, the ACCC does not intend to take any further action in relation to the notifications at this stage.

As with any notification, the ACCC may act to remove the statutory protection afforded by these notifications at a later stage if it is satisfied that the likely benefit to the public from the collective bargaining arrangement no longer outweighs the likely detriment to the public.

A copy of this letter has been placed on the ACCC's public register. If you wish to discuss this matter, please contact Luke Griffin on (02) 6243 1114 or by email to [adjudication@accc.gov.au](mailto:adjudication@accc.gov.au).

Yours sincerely

A handwritten signature in grey ink, appearing to read 'Baethan Mullen'.

Baethan Mullen  
A/g General Manager  
Adjudication